

under the proposed amendment, the Government could not react instantly unless a supermajority in Congress approved.

The balanced-budget amendment appeals to taxpayers who demand that the Government spend their money wisely. But Senators Nunn, Ford, Conrad, Dorgan and Breaux need to recognize that this honorable sentiment cannot be wisely embedded into the Constitution.

Mr. HATCH. Mr. President, critics or outright opponents of the balanced budget amendment have made the point that one reason we should not have a balanced budget rule is because of how the business cycle and the so-called automatic stabilizers work. The basic idea is that in recessions, revenues decrease and outlays—such as welfare payments—increase. Critics say that economic fluctuations are as inevitable as the tides and hence so is a cycle of deficits, therefore, commanding budget balance is like ordering the tides to retreat.

The notion that ordering budget balance is like commanding the tides to retreat is absurd. It is like saying it is impossible to stop using your credit cards. The truth is that taxing and spending decisions are volitional, notwithstanding decades of bad habits.

Economic fluctuations which result in changes in revenue or outlay projections are not an argument against balance, but could an argument for surplus contingency funds. It is decidedly not an argument for maintaining large structural deficits. A family saves for a rainy day, they do not keep their credit cards "maxed out"—in good times and bad—and then tell the credit company that economic fluctuations are as inevitable as the tides so how about another few thousand on the credit limit.

The balanced budget amendment in no way prevents us from running a small surplus, which could be used to offset the effects of an economic downturn. In fact, Fred Bergston, a noted economist and former Treasury Department official, suggests we create a habit of saving for rainy days, which will allow us to use fiscal policy within the balanced budget rule better than we can now without it.

The argument made by the Senator from Maryland seems to be a distorted version of Keynesianism, and it is not clear that it would work to stimulate our current economy. In fact, our recent history seems to refute such an expectation. In the early 1990's, we had record deficits and zero or low growth for 3 years. The experience of the late Bush, early Clinton, years was the experience of the Carter years, namely high deficits and recession. This sort of stimulus mechanism obviously does not work very well. Additionally, Mr. President, President Clinton's response to the recession of the early 1990's was to send a budget with tax increases and spending cuts. This was supported by the Senator from Maryland. Why was this plan appropriate in 1993 but apparently no other time?

Moreover, we have been running deficits for three decades. Have we been in

recession for three decades? Have we avoided the business cycle for three decades? No. We have had numerous business cycles since 1969 but have only balanced the budget once. If critics are right, we should have had a cycle of deficits and surpluses. Far from cycling, the debt is on a steady increase. The debt is growing at a fantastic rate: it is now over \$4.8 billion and is projected to exceed \$6 trillion in only 3 years. The correlation between deficits and prosperity is far from clear, based on our history.

I have other questions about this argument. At the level we are now spending, about \$1.5 trillion each year, just how big of a deficit would we have to run to stimulate the economy? We already have our foot to the floor on the debt accelerator—we cannot seriously argue that pushing our debts further will be helpful. Talk about inflexible fiscal policy. Our debt and yearly deficits are so large there just is not any clear room to move further. We would have more flexible fiscal policy if we got our deficits under control.

Mr. President, the principle of a rule of balanced budgets is unassailable, and should be violated only when absolutely necessary.

MORNING BUSINESS

SUPPORTING THE CONFIRMATION OF THE NOMINEES TO THE BASE CLOSURE AND REALIGNMENT COMMISSION

Mr. THURMOND. Mr. President, I will not take much of the Senate's time to express my support for the confirmation of Mrs. Cox, General Davis, Admiral Montoya, Mr. Kling, Mr. Cornella, and Mrs. Steele to be members of the Base Closure and Realignment Commission.

Despite the dismal performance by the White House when it submitted these nominations, the Armed Services Committee resolved all outstanding issues concerning individual nominees. I should add that these issues were, for the most part, related to whether or not an individual should recuse himself or herself from deliberating on a particular base. After considerable discussion and individual interviews, these concerns were alleviated and the committee recommended that the Senate confirm the nominees.

We now face a crucial decision. Tomorrow, as required by law, the Secretary of Defense will release his recommended list of bases for closure. Whether or not the Senate confirms the Base Closure Commissioners has no impact on the release of the list. However, it does impact on the deliberative process which will proceed since we have a Commission chairman. The question that every Senator who wants to delay the confirmation process should be asking is: Do we allow the chairman of the Base Closure and Realignment Commission, Senator Alan

Dixon, to solely conduct the evaluations of the Secretary's list, or do we provide him with the assistance of these six Commissioners?

I have no doubt that despite the abilities of Alan Dixon, he and the Senate would rather see a group of individuals make decisions on the future of the Nation's military bases and our local economies. Therefore, I urge the Senate to confirm these nominations and let the 1995 Base Closure Commission proceed with its work.

CONFIRMATION OF AL CORNELLA

Mr. PRESSLER. Mr. President, I rise today to express my strong support for the nomination of Al Cornella to be a member of the 1995 Defense Base Closure and Realignment Commission.

This Commission was created by Congress in 1990 with the intention it would be an independent, nonpartisan decision-making body. I can assure my colleagues, Al Cornella is a man of the highest integrity. He will be fair in his deliberations and recommendations. During his opening statement before the Senate Armed Services Committee, Al committed himself to conducting his deliberations in a fair and impartial manner. Al Cornella is a man who keeps his word. The law requires the Commission to make recommendations based on specific criteria, ranging from military readiness to fiscal cost. Al Cornella's deliberations will be fully consistent with the law.

Mr. President, I am confident in Al's character and trust his judgment. Al Cornella exemplifies the American spirit of community involvement. He is one of South Dakota's very best. Currently, Al is a small business owner in Rapid City, SD, and has served as chairman of the board of the Rapid City Area Chamber of Commerce.

In addition to his civic involvement, Al has a strong interest in and knowledge of military issues. He served in the U.S. Navy during the Vietnam conflict. Being a Vietnam veteran myself as a lieutenant in the U.S. Army, I strongly believe his commitment to duty and country should not go unnoticed. For many years, Al served as a key leader in issues concerning military affairs in the Rapid City Chamber of Commerce. For the past 3 years, Al has served as a member of my Service Academy Advisory Board, evaluating applicants seeking admission to our three military academies.

Again, Mr. President, Al Cornella is a man of integrity. I urge my colleagues to support his confirmation. Al Cornella has distinguished himself in every endeavor in his life. He will do so again as a member of the Defense Base Closure and Realignment Commission.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.